

for what I think is the right thing in invoking cloture. You can still vote against the appropriations bill for the District of Columbia if you think it is too much money and not done in the right way, and I might do that, but allow us to bring it up for consideration.

I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. INHOFE). Under a previous order, there will now be a period of time to transact morning business until the hour of 12 noon, with Senators permitted to speak up to 5 minutes each, with the exception of the Senator from North Dakota [Mr. DORGAN] 20 minutes, and the Senator from Alaska [Mr. MURKOWSKI] 15 minutes.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I have 20 minutes in morning business; is that correct?

The PRESIDING OFFICER. We are in morning business until noon. The Senator has 20 minutes reserved.

Mr. DORGAN. Thank you very much.

INTERNATIONAL TRADE

Mr. DORGAN. Mr. President, today is not a particularly busy day in the Senate, as everyone can see. The Senate is not scheduled for action for a bit. We have one vote scheduled, and I think probably not much beyond that for the rest of the day. I had asked yesterday to take some time to discuss an issue today on the subject of international trade.

I noticed in this morning's paper, the Washington Post, an article that says "Trade Deficit in '95 Worst in 7 Years." This was not on the front page, but in the business section of today's paper.

I have talked on the floor of the Senate many times in the last 2 years on the subject of international trade. The reason I came to the floor today was not only because we were going to have the figures on what last year's trade deficit was in this country but also because there is in the party of the Presiding Officer an aggressive, raging, fascinating debate these days about trade issues. One candidate who is out on the hustings campaigning for votes is talking about trade in a particular way, and then several others are responding to it. It is somehow as if this were the first time trade was being discussed in this country.

I have been on the floor of the Senate at least 10 or 12 times in the last 2 years talking about international

trade. There are some trade myths that I want to talk about today. This will be the first of a series of presentations which I intend to make on trade. Today I will be dealing with the overview, and then in subsequent days I will be dealing with the problems that cause the trade deficit.

The reason I come to the floor is the myths that exist on trade that are now being perpetuated in the Presidential campaigns. These are generally myths spread around this town that are held dear by many people in this town:

First, "Balancing the Federal budget is important; reducing our Nation's trade deficit is not."

We have two deficits in this country. We have a budget deficit in the Federal Government. It hurts this country, and we ought to deal with it. People on both sides of the aisle are wrestling with the priorities of how do you solve the budget problem and put our budget in balance.

I know some on the other side say, "Well, we have all the answers," and some here say, "No; we have all the answers." The fact is everyone would like to do it the right way. We should balance the Federal budget, and we should do it with the right set of priorities. But, it is not the only deficit that matters. We have a trade deficit in this country that is very serious and that has been growing. As we address the budget deficit, we must also address this burgeoning trade deficit.

The second myth is that more free-trade agreements will eventually eliminate the trade deficits.

The more free-trade agreements we have, the higher the deficits have been. It is not more agreements that matters. It is the kind of agreements that counts. Are these trade agreements fair so that American workers and producers can compete and have an opportunity to win in international trade competition?

Another myth is that there is a common solution for our trade deficit problems with our trading partners: free trade.

There is not one common solution. Free trade is irrelevant if the trade is not fair.

Fourth is that trade deficits are not very important factors in the U.S. economy.

Trade deficits are critically important factors in our economy. They relate to what we produce. Those folks in America who measure our country's progress by what we consume rather than what we produce do not understand this. What an economy will be in the future is related to what it produces. The production of real new wealth is the source of the engine of progress for the future.

And, finally, the fifth myth is that seeking fair trade for America and a level playing field for our country equals protectionism.

I am not a big fan of Pat Buchanan. He is raising trade issues. Perhaps he is raising them in some ways I would not.

Some parts of his argument have some dark edges that I do not like. Yet the fact is every time someone raises the question of the trade deficit in this country, they are called a xenophobic protectionist stooge of some type. They are accused of wanting to build a wall around America, or labeled as one of a bunch of isolationists.

What a bunch of nonsense. You can stand up for the economic interests of this country, you can stand up for American producers and American workers, and you can stand up for the symbols and the reality of fair trade without being isolationist or protectionist.

I would like to run through a series of charts and talk about where we are.

The first chart is a chart which talks about the trade deficit and the Federal budget deficit. Actually, this is the Federal budget deficit that is listed both by the President and by the Congress. The budget deficit actually is higher than this because this includes the Social Security revenues. Yet, they advertise the budget deficit as \$164 billion last year. The merchandise trade deficit is \$174 billion. Our total trade deficit is slightly lower than that. The merchandise trade deficit to me represents the important aspect because it is what we produce and what we manufacture. This critical sector of our economy has a \$174 billion trade deficit.

We cannot solve the problems of the budget deficit or the trade deficit without understanding how they relate to each other and how they relate to our national economy.

Both of the deficits undermine our country's economy. The budget deficit does. And, so does the merchandise trade deficit. Both are economic warning flags that our country needs to do a better job in growing our national economy. Both mean we have to give special attention to our wage base and to our productive sector.

We had a budget deficit—which is really not measured appropriately—of \$290 billion in 1992. That is down to \$164 billion now under this measurement. But the merchandise trade deficit at the same time is going up. It is up to \$174 billion.

Now, that represents a loss of jobs and a loss of production facilities in our country. I noticed in the article today, the trade officials said, "Well, gee. We exceeded all previous years in our exports of goods from our country." Yes, that is true. We also exceeded all previous years and previous expectations of the import of manufactured goods into our country. The imported goods we bring in that are manufactured in other places around the world represents nearly one-half of what we manufacture in America today.

Let me go to another chart that deals with our trade deficits. Again, no one wants to talk about this. Nobody will talk about it. Nobody comes to the Senate floor and talks about trade very much.